



## Your Public School Retirees' HMO Pilot Program Option

Retirees of the Public School Employees Retirement System can choose between the Blue Cross Blue Shield (BCBSM) health plan, and two health maintenance organizations (HMOs) – Health Alliance Plan and Priority Health.

An HMO is a coordinated care plan that provides medical care through a network of physicians, hospitals, pharmacies and medical equipment suppliers. When you enroll in an HMO, you select a network physician as your “primary care physician” who works with you to direct your care and refer you to other network providers.

The HMOs selected for this program all provide medical, hospital, prescription drug and other benefits comparable to or exceeding those in the BCBSM plan, but with no annual deductible and generally lower copays. Moreover, you will find that many provide special health promotions for problems common to our retired population, such as diabetes, degenerative joint diseases, high blood pressure and cholesterol levels, asthma or other respiratory problems, and congestive heart failure or other circulatory problems. Although HMOs have a network of hospitals and physicians, your doctor may already participate.

In addition, HMOs offered by the Retirement System are accredited by the National Committee for Quality Assurance (NCQA), which ensures HMOs provide high-quality, reliable care. Retirees who have selected these plans report high levels of satisfaction.

**This HMO option is part of a pilot program, and participation is completely voluntary.**

Currently the HMO option is available in select counties throughout the State. Following is a list of the participating HMOs and the counties in which they offer coverage. *Contact that HMO to verify that coverage is available in your area and to obtain a detailed list of benefits.*

HMO	Counties
<b>Health Alliance Plan Non-Medicare Only (800) 422-4641</b>	<b>Non-Medicare Participants Only</b> Genesee, Lapeer, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne.
<b>Priority Health (800) 446-5674</b>	<b>Non-Medicare Participants Only</b> Allegan, Antrim, Barry, Bay, Benzie, Berrien, Charlevoix, Cheboygan, Clinton, Crawford, Eaton, Emmet, Grand Traverse, Gratiot, Ionia, Kalkaska, Kent, Lake, Leelanau, Manistee, Mason, Mecosta, Missaukee, Montcalm, Montmorency, Muskegon, Newaygo, Oceana, Osceola, Otsego, Ottawa, Presque Isle, Roscommon, Saginaw, Tuscola, Van Buren, and Wexford.
<b>Priority Health— Medicare Advantage (888) 389-6648</b>	<b>Medicare Participants Only</b> Allegan, Kent, Muskegon, and Ottawa.

## ENROLLMENT

Please refer to pages 3 and 4 for a summary of plan benefits. To enroll in an HMO, call the one in which you are interested, using the toll-free numbers at the top of the column. Direct your HMO benefit questions to the HMO.

The HMO will send you detailed information regarding the plan and an application to enroll. Return that HMO's completed application with your retirement forms, if possible. If you have not received the HMO application before you return your retirement forms, send the HMO application separately. *RETURN ALL APPLICATIONS TO:*

**Office of Retirement Services (ORS)**

**P.O. Box 30171**

**Lansing, MI, 48909-7671**

When you apply for retirement, you must complete the *Public School Employees Group Insurance Application* form (R365C). **If you select an HMO, when completing the form be sure to check the box indicating you would like to enroll in the health plan. Write the letters "HMO" in the blank white space at the top to indicate that you have enclosed an HMO application or that one will be forthcoming.**

**The monthly health coverage rates form (R72C) are contained in the application packet.**

Additionally, if you and/or a family member are covered by Medicare, the only HMO available to you is Priority Health, and is only available in select counties.

## **EFFECTIVE DATE OF COVERAGE**

The Office of Retirement Services (ORS) must receive your application no later than 30 days before your retirement effective date to begin your coverage on your retirement effective date. You will receive your insurance identification (ID) card and materials approximately two weeks after you receive your first pension check.

If you must seek medical attention before you get your ID card, make sure you go to a primary care physician who is a participating provider in your chosen HMO. If you need hospitalization, the hospital can confirm your coverage by calling ORS in Lansing at 322-5103, or toll-free at (800) 381-5111.

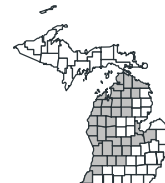
If you decide to enroll within 90 days after your retirement effective date, as described in the *Insurance Information* sheet (R58C), your application will be processed accordingly. If the Retirement System receives your application by the 15th of the month, your coverage will take effect the first of the following month. After the 15th of the month, your coverage will take effect the first day of the second month following, unless noted otherwise within the HMO materials.

Note that if you choose an HMO, you must remain in the HMO for at least six months. If you move out of your HMO's geographical coverage area, your written request for change will be effective following the guidelines above.

This HMO option is part of a pilot program, and participation is completely voluntary. The list of participating HMOs and coverage offered may change.

# **NON-Medicare Summary Comparison Sheet\***

**Effective January 1, 2006**



<b>Health Care Benefit</b>	<b>BCBSM PPO (800) 422-9146</b>	<b>Health Alliance Plan (800) 422-4641</b>	<b>Priority Health (800) 446-5674</b>
Office Calls	10% copay in network/ 30% out of network	\$10 copay	\$15 copay
Routine Physical Exams	Not covered	Included in office visit	Included in office visit
Routine Pap Smears	Covered 1/year	Included in office visit	Included in office visit
Routine Mammograms	10% copay in network/30% out of network. 1 per year	\$10 copay	Included in office visit
Allergy testing and treatment	10% copay in network/30% out of network	Included in office visit	Included in office visit
Chiropractic Visits	10% copay in network/30% out of network — 26 visits/year	Not Covered	Not Covered
Hospital - Inpatient Care	No copay in network/20% out of network 365 days (can be renewed)	Covered in full	Covered in full
Hospital - Outpatient Care (Including diagnostic services)	10% copay in network/30% out of network	\$10 copay	Covered in full
Medical/Surgical Care (Including surgery, anesthesia, technical surgical assistance)	No copay in network/20% out of network	\$10 copay	Covered in full
Emergency Medical Care	10% copay	\$50 copay	\$50 copay (waived if admitted)
Urgent Medical Care	10% copay in network/30% out of network	\$10 copay	\$15 copay
Care Outside Michigan	Same as in network in Michigan	Emergency or urgent care per HAP guidelines	Covered for Urgent Care and Emergencies same as in Michigan. Most other services covered at 80% after \$250 deductible.
Care Outside the Network In Michigan	See specific services for details	Emergency or urgent care per HAP guidelines	Covered for Urgent Care and Emergencies. Most other services covered at 80% after \$250 deductible.
Home Health Care	No copay. 3 visits/year for each unused inpatient hospital day or skilled nursing facility day	Covered (RN or LPN) with authorization	Covered in full.
Skilled Nursing Facility	No copay. 100 days (can be renewed)	Covered up to 730 days. Renewable after 60 days.	No copay. 100 days (can be renewed)
Hospice	No copay. 210 days.	Covered - 210 days per lifetime.	Covered in full
Outpatient Mental Health Services	50% copay	Up to 20 visits per year covered with \$10 copay per visit	Up to 20 visits per year covered with \$20 copay per visit
Prescription Drugs	20% copay. \$7 min/\$32 max retail pharmacy (1 mo. supply); \$17.50 min/\$80 max mail pharmacy (3 mo. supply); plus cost difference on maintenance drug on and after 4 <sup>th</sup> refill if not purchased at most cost effective venue. \$800 individual drug copay max for prescriptions on the formulary. 40% out-of-pocket for non-formulary drugs.	Copay per prescription is \$7 for 1st tier, \$15 for 2nd tier, and \$30 for 3rd tier. Contact HAP for information on each tier.	\$10 copay per generic prescription, or \$30 copay per brand name prescription, retail pharmacy (up to a 1 month supply). Up to 3-month supply available for two copays through mail pharmacy service.
Durable Med. Equip. – Supplier	Covered in full in network	Covered in full	20% copay
Hearing Benefits	Covered every 36 months - 10% copay	Covered in full every 36 months	Covered in full every 36 months
Deductible	\$250 individual/\$500 family	None	None
Maximums	\$500 individual/\$750 family copay	None	None

\* This document is only a summary. For a complete listing of plan details contact the individual providers. Benefit levels are subject to change.

# Medicare Summary Comparison Sheet\*

Effective January 1, 2006



Health Care Benefit	BCBSM PPO (800) 422-9146	Priority Health (888) 389-6648
Office Calls	10% copay in network	\$15 copay
Routine Physical Exams	Not covered	\$15 copay
Routine Pap Smears	Covered 1/year	Covered in Full
Routine Mammograms	10% copay. 1 per year	Covered in Full
Allergy testing and treatment	10% copay	Covered in Full
Chiropractic Visits	10% copay	100% for manual manipulations of the spine only to correct subluxation
Hospital - Inpatient Care	No copay in network. 365 days (can be renewed)	Covered in full
Hospital - Outpatient Care (Including diagnostic services)	10% copay	Covered in full
Medical/Surgical Care (Including surgery, anesthesia, technical surgical assistance)	No copay	Covered in full
Emergency Medical Care	10% copay	\$50 copay (waived if admitted)
Urgent Medical Care	10% copay	\$15 copay
Care Outside Michigan	Same as in network in Michigan	Covered for Urgent Care and Emergencies same as in Michigan. Most other services covered at 80% after \$250 deductible.
Care Outside the Network In Michigan	See specific services for detail	Covered for Urgent Care and Emergencies. Most other services covered at 80% after \$250 deductible.
Home Health Care	No copay. 3 visits/year for each unused inpatient hospital day or skilled nursing facility day	Covered in full.
Skilled Nursing Facility	No copay. 100 days (can be renewed)	No copay. 100 days (can be renewed)
Hospice	No copay. 210 days.	Covered by original Medicare when care obtained in Medicare-certified hospice.
Outpatient Mental Health Services	50% copay	\$20 copay per individual session, \$10 copay for group therapy session
Prescription Drugs	20% copay. \$7 min/\$32 max retail pharmacy (1 mo. supply); \$17.50 min/\$80 max mail pharmacy (3 mo. supply); plus cost difference on maintenance drug on and after 4 <sup>th</sup> refill if not purchased at most cost effective venue. \$800 individual drug copay max for prescriptions on the formulary. 40% out-of-pocket for non-formulary drugs.	\$10 copay per generic prescription, or \$30 copay per brand name prescription, retail pharmacy (up to a 1 month supply). Up to 3-month supply available for two copays through mail pharmacy service.
Durable Med. Equip. – Supplier	Covered in full in network	20% copay
Hearing Benefits	Covered every 36 months – 10% copay	Covered in full every 36 months
Deductible	\$250 individual/\$500 family	None
Maximums	\$500 individual/\$750 family copay max	None

\* This document is only a summary. For a complete listing of plan details contact the individual providers. Benefit levels are subject to change.

## Compare BCBSM Plan to Optional Health Maintenance Organization Plans

BCBSM	HMO
National access to all plan benefits	Full access to all plan benefits available in HMO network* (National Access with Priority Health Travel Benefit)
You choose any doctor or hospital	You choose your primary care doctor from the network who then works with you to coordinate specialist and hospital services
Covers emergencies world wide	Covers emergencies world wide
When sick or hurt, allows you to seek medical attention at any time	Preventative healthcare encouraged before you become sick. When sick or hurt, allows you to seek medical attention at any time
Same premium withheld from pension	Same premium withheld from pension
Moderate out-of-pocket costs	Lower out-of-pocket costs
Annual deductible before coverage begins	No annual deductible (Priority Health Travel Benefit requires a deductible before coverage begins)
Copays for many services	Copays for many services, but generally lower copays
Limited coordination of medical care	Enhanced coordination of medical care
Limited coverage of preventative medicine (some screenings)	Broader coverage of preventive medicine (more screenings, annual physicals, etc.)
Limited patient education	Broader patient education
Limited lifestyle coaching (weight management, smoking cessation, etc.)	Broader lifestyle coaching (weight management, smoking cessation, etc.)
Significant drug coverage with copay	Significant drug coverage with copay

\*National access with Health Plan approval.